

Department of Education & Early Development
FY2023 Significant Budget Changes
\$ thousands

The purpose of this document is to provide the State Board of Education with a list of noteworthy items in the FY2023 Department budget that was passed by the Legislature. Next, the budget will go to the Governor for his consideration. If you have any questions, please contact Lacey Sanders, Deputy Commissioner, at (907) 465-8721 or lacey.sanders@alaska.gov.

K-12 Foundation Program and Pupil Transportation

- K-12 Foundation program is fully funded based on the statutory formula.
- Pupil Transportation program is fully funded based on the statutory formula.
- The budget includes an appropriation for forward funding (FY2024) of the K-12 Foundation and Pupil Transportation programs. The appropriation is contingent upon available revenue in FY2023.
 - Beginning in FY2024, the Base Student Allocation (BSA) was increased by \$30 dollars from \$5,930 to \$5,960 in statute (HB 114).

Additional Foundation Funding

- One-time additional K-12 Foundation program funding; Total: \$57.0 million UGF.

K-12 Support

- Residential Schools program funding increased using the same ratio as Alaska Statute 14.16.200; Total: \$4.3 million UGF.
- Expand the Lower Yukon School District's Career and Technical Education Residential Program; Total: \$228.0 thousand UGF.

School Debt Reimbursement & Regional Educational Attendance Area (REAA) and Small Municipal School District School Fund

- School Debt Reimbursement is fully funded based on the statutory calculation for reimbursement to municipalities for selected bonds issued for school construction; Total: \$79.0 million UGF.
 - Funding was also appropriated for FY2017, FY2020, FY2021, and FY2022 based on the statutory calculation; Total: \$220.9 million UGF.
- Regional Educational Attendance Area and Small Municipal School District School Fund (REAA Fund) is fully funded based on the statutory calculation; Total: \$32.8 million UGF.
 - Funding was also appropriated for FY2017, FY2020, FY2021, and FY2022 based on the statutory calculation; Total: \$84.0 million UGF.

Student and School Achievement

- Two new Grant Administrator positions added to assist rural school districts (for both FY2023 and FY2024); Total: \$272.9 thousand UGF.
- Additional funding for Pre-Kindergarten Grants, bringing the total for grants to \$5.7 million (for both FY2023 and FY2024); Total: \$2.5 million UGF.

Broadband Assistance Grants (BAG)

- Updated BAG Program funding to reflect actual expenditures; Total: (\$1.0 million) UGF.

Alaska Commission on Postsecondary Education/Alaska Student Loan Corporation

- Expand the WWAMI Medical Education Program from 20 to 30 spots; Total: \$1.6 million UGF (total for FY2023 and FY2024).

Fund Transfers

- Capitalize the Higher Education Investment Fund (HIEF) with the amount swept in FY2021; estimated to be \$394.6 million UGF. This appropriation is contingent upon passage of a bill that moves the HEIF outside of the General Fund.
 - For FY2023, Department programs previously funded with HIEF remain funded with UGF.

Capital Projects (FY2022 and FY2023)

- Deposit funding into the School Major Maintenance Grant fund for School Major Maintenance; Total: \$100.0 million UGF.
- William N. Miller K-12 Memorial School Replacement, Napakiak; Total: \$54.9 million REAA Fund.
- Mt. Edgecumbe High School (MEHS) Repairs; Total: \$6.2 million UGF.
- Start-up and Expansion of School Breakfast Programs: Total: \$600.0 thousand UGF.
- Reappropriation of \$95.0 thousand (not to exceed) to MEHS for Bleachers and Swimming & Water Survival Education Equipment.

FY2023 Fiscal Note Funding

- HB 19 Limited Teacher Certificates; Languages - Teacher Certification; Total: \$6.0 thousand UGF.
- SB 20 Out of State Teacher Reciprocity - Teacher Certification; Total: \$6.0 thousand UGF.
- HB 114 Education: Schools; Funding; Programs -
 - Student and School Achievement; Total: \$801.8 thousand UGF and 8 full-time positions.
 - Early Learning Coordination; Total: \$385.6 thousand UGF and 3 full-time positions.
 - Alaska Commission on Postsecondary Education; Total: \$1.0 million UGF.
 - Public Education Fund; Total: \$12.9 million UGF.
- SB 71 Council on the Arts: Plates and Manage Art - Alaska State Council on the Arts; Total: \$6.0 thousand UGF.